



STATE OF INDIANA

Mitchell E. Daniels
Governor

STATE BUDGET AGENCY

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Christopher A. Ruhl
Director

To: All State Agencies
From: Christopher A. Ruhl, Budget Director
Date: March 12, 2009
Re: Advertising Expenses

As you are aware, Governor Daniels directed numerous actions be taken in response to the revised revenue forecast in December 2008. Since then, revenues have declined further, requiring additional steps be taken to maintain Indiana's strong fiscal position. One such step will be additional scrutiny of communications and advertising expenses, lead by a Committee consisting of the Governor's Office and the Office of Management and Budget. The following directives are effective immediately:

FY09: There will be a strategic review of all new paid media (radio and television advertising, print ads, outdoor billboards, etc.), sponsorships (media, conferences, events, etc.), promotional items (key chains, logo pens, yardsticks, etc.) and publications (brochures, flyers, etc.). For the remainder of FY09, all requests should be submitted to the Committee for approval. Obligations shall not be made until approval has been received. Agencies can make requests for approval by submitting a communications request form www.in.gov/omb/2500.htm to the Committee via email at OMBCommunications@omb.in.gov.

FY10 Marketing Communications Plan: Beginning next fiscal year (FY10), agencies will be required to submit an annual (FY) marketing communications plan (which shall include a communications budget). This plan must include all paid and earned media, sponsorships, promotional items and publications.

The FY10 Marketing Communications Plan must be submitted to the Committee by **May 31, 2009** via email at OMBCommunications@omb.in.gov. The Committee will review these plans, and obligations shall not be made until these plans have received approval from the Committee. The approved plan will act as the final budget for Agency communications. Any changes in the plan during FY10 must be approved by the Committee. An example of a Marketing Communications Plan is available at www.in.gov/omb/2500.htm.

Future Federal Grant Agreements: The Committee's goal in reviewing federal spending in the FY10 Marketing Communications Plan will be to spend the money in the most cost efficient and effective way possible in accordance with the federal grant.

Going forward, all agencies entering into new federal grant agreements that include communications funding (e.g., paid media, sponsorships, promotional items) must receive approval from the Committee.

Special Note: This guidance is effective immediately, but does not impact pre-existing contractual obligations. This memo does pertain to spending that has been planned and/or budgeted, but where contractual commitments have not yet been entered into. Please contact the Committee if you have questions about the applicability of this memo to particular expenditures.

If you have any questions about this new policy, please contact Gloria Graham of OMB (ggraham@omb.in.gov) or Stephanie Genrich of the Governor's Office (sgenrich@gov.in.gov).